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August 20, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

RE: Competitive Initiatives, D.T.E. 01-54-B

Dear Secretary Cottrell:

On July 29, 2002, the Department of Telecommunications and Energy (the "Department") issued an order (the "Order") in the above-referenced proceeding that included a number of directives for electric distribution companies. Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric ("NSTAR Electric" or the "Company") hereby submit this letter to update the Department regarding the Company's efforts to comply with those directives.

The Department directed each distribution company to include the following information on the Customer Information Lists (the "Lists") that will be made available to competitive suppliers in September 2002:

- unique customer identifiers that will allow competitive suppliers to track individual customers as the Lists are updated (Order at 15-16);
- each customer's "nodal" or "zonal" location (*id.* at 22);
- names of those customers that purchase generation from competitive suppliers (but not the names of the suppliers) (*id.* at 21);¹ and

¹ The Department also required distribution companies to provide customers who are served by a competitive supplier the opportunity to "opt out" of the September 2002 (and future) Lists, consistent with the procedures established in D.T.E. 01-54-A at 25-27. Order at 17. However, in the context of notifying its Default Service and Standard Offer Service customers of their right to "opt-out" of the customer-information disclosure process in January and February 2002, the Company also notified customers being served by competitive suppliers of this right. Accordingly, the Company has complied with the Department's directive to extend to such customers the opportunity to "opt-out" of the Lists and will include customers purchasing from competitive suppliers on its September 2002 and future Lists.

- service delivery-point information for each customer on the Lists (id. at 22).

In addition, the Department directed the distribution companies:

- to eliminate the four-character account-name requirement for commercial and industrial (“C&I”) customers, and to work with the Electronic Business Transactions (“EBT”) Working Group to revise the enrollment transactions accordingly (Order at 17);² and
- to work with the EBT Working Group to investigate whether the Internet represents a reliable and economic alternative to the Value-Added Network (“VAN”) and to submit a report to the Department on this issue within two months of the Order. Id. at 30.

Regarding unique customer identifiers, as noted in both the Order and the Working Group Report submitted to the Department in this proceeding, NSTAR Electric must modify its computer systems to incorporate such an identifier on its Lists. Id. at 15; Working Group Report at 2 (January 16, 2002). The Company estimates that it will be able to develop unique identifiers for its customers and to modify its computer systems to accommodate those identifiers over the next several weeks. Similarly, the Company needs several weeks to identify the nodal or zonal location of each customer and to program its systems to include such information on the Customer Lists. In each of these cases, the modifications cannot be completed in sufficient time to allow the Company to include all of the required information for all customers on the September 2002 Lists.³ However, the Company will be able to implement the Department’s directives in time to include unique customer identifiers and zonal or nodal locations for each of its customers on the subsequent quarterly Customer Lists (December 2002).

² The Department also directed distribution companies to report to the Department within 30 days of the date of the Order on progress made toward eliminating the requirement for C&I customers. Order at 17. Accordingly, NSTAR Electric hereby notifies the Department that, as of this date, this requirement is no longer applicable to its EBT transactions involving C&I customers.

³ The Company has zonal or nodal information for most, but not all, of its customers. Accordingly, for those customers, the Company will endeavor to modify its systems to include such information on its September 2002 Lists. However, the Company is currently in the midst of its efforts to modify the billing system to implement the Department’s Order in D.T.E. 01-28 (Phase II) regarding the pro-rata allocation of partial payments. Since significant resources are devoted to this effort, the Company will need additional time to comply with some of the Department’s most recent directives in D.T.E. 01-54-B, as noted above. It should be noted that it is the Company’s understanding that the New England Power Pool’s transition to Standard Market Design has been postponed from its initially proposed commencement in December 2002. Accordingly, the Company’s efforts to have zonal or nodal information for each of its customers in time for its December 2002 Lists would not appear to adversely affect a competitive supplier seeking such information in order to facilitate customer enrollment.

With regard to the Department's remaining directives, NSTAR Electric will include on its September 2002 Lists the service-delivery points of each customer on the Lists, along with the names of those customers who purchase generation from competitive suppliers (and who have not "opted-out"). In addition, the Company will work with the EBT Working Group to investigate the reliability and economics of using the Internet, as an alternative to the VAN, in order to share customer information with competitive suppliers.

Please contact me if you have any questions regarding NSTAR Electric's implementation of the Department's Order in D.T.E. 01-54-B.

Very truly yours,

Robert N. Werlin

cc: Jeanne Voveris, Hearing Officer
Service List, D.T.E. 01-54